

JUL 22 1962

Approved For Release 2000/08/27 : CIA-RDP  
STATINTL

# Senate Study Cites Fads Here

By Julius Ducha  
Staff Reporter

A Senate staff study reported yesterday that activities in the United States of agents for foreign countries included arranging for an illegal shipment of arms, financing organizations representing nationality groups and writing a message for a Cabinet member.

The study, prepared for the Senate Foreign Relations Committee, also reported that such agents helped set up a presidential economic mission to a foreign country and that foreign aid funds were used to pay a lawyer who negotiated a loan for another country.

In releasing the report Sen. J. W. Fulbright (D-Ark.), chairman of the Foreign Relations Committee, said that efforts "to influence the conduct of American foreign policy by techniques outside normal diplomatic channels" have been increasing in recent years.

## Investigation Extended

He pointed out that such efforts are not necessarily wrong but said that "a full and accurate picture of activity of this kind" should be obtained.

Three months ago Fulbright ordered a preliminary investigation

of the operations of foreign agents, who are required to register with the Government. Two weeks ago the Foreign Relations Committee received funds from the Rules Committee for an extensive investigation. Hearings are planned in the fall. Interest in the investigation increased after operations of representatives for countries seeking sugar quotas were widely criticized when Congress passed new sugar legislation early in July.

## Some Activities Cited

Examples of their activities cited in the staff study, which named no agents or countries, included:

- Four years ago an American agent for a Caribbean country negotiated the shipment of arms from the country to another Caribbean government at a time when the State Department had placed an embargo against such shipments.

- Last year an American public relations firm representing a foreign country gave financial support to an American committee of nationals from the country and paid a weekly salary to the chairman of the committee, who led a delegation to Washington to

complain about the company's attitude toward the independent African nations. Also listed as one of the agents the nation's largest labor union, the International Brotherhood of Teamsters, was charged to a director by the firm to client countries.

- Six years ago a law firm helped a presidential candidate to the country.

- A Washington firm hired to receive a foreign government's aid money received a large amount of money for a month period.

- A Washington firm subsidized a biography of a government's chief of state.
- A Washington firm received \$100,000 for a foreign government's subsidy.
- A Washington firm was employed by a foreign government.
- Last year a

thing from light machinery to heavy armaments" and "influence peddlers" try to advance the interests of their client countries "at the highest and lowest levels of the U. S. Government."

The report also noted that "controversial countries" sometimes "deal out sums of money to various individuals and firms . . . in a constant effort to gain and keep U. S. Government support for their regimes."

The study also pointed out that newly developing nations "frequently . . . are solicited by both reputable and not so reputable firms and individuals."

"The impression is occasionally given," the study added, "that only through extracurricular diplomatic representation can the young nation get its share of the financial aid dispensed from Washington."